

ADM-12.01, "Procurement of Supplies and Services," April 1, 2007

SCDC POLICY/PROCEDURE

NUMBER:ADM-12.01

TITLE:PROCUREMENT OF SUPPLIES AND SERVICES

ISSUE DATE: April 1, 2007

RESPONSIBLE AUTHORITY: DIVISION OF BUDGET AND RESOURCE MANAGEMENT

OPERATIONS MANUAL:ADMINISTRATION

SUPERSEDES:ADM-12.01 (November 1, 2003)

RELEVANT SCDC FORMS/SUPPLIES: 13-1, 14-44, 20-31, 20-49, 20-50, 20-76, 21-20

RELATED MMO FORMS: MMO-141, 136,137, 80-SC-EL-1, MMO-R-005-3/83

ACA/CAC STANDARDS: 4-ACRS-7D-19, 4-ACRS-7D-25, 4-ACRS-7B-19, 4-ACRS-7B-19, 4-ACRS-1C-15, 4-4038, 4-4060, 4-4093, 4-4094, 4-4213

STATE/FEDERAL STATUTES: S.C. Consolidated Procurement Code; S.C. Consolidated Procurement Code Permanent Regulations; S.C. Drug-Free Workplace Act, Section 44-107-10 et seq., S.C.Code of Laws, as amended; S.C. Solid Waste Policy and Management Act of 1991

THIS POLICY/PROCEDURE IS APPLICABLE TO EVERY COMMITMENT AND/OR EXPENDITURE OF ANY AND ALL FUNDS OR MONIES, INCLUDING GRANTS, STATE OR FEDERAL, FOR WHICH THE SCDC IS ACCOUNTABLE, AND IS APPLICABLE TO ANY SCDC INDIVIDUAL REQUIRED BY POSITION AND DESIGNATED BY PROPER AUTHORITY TO REQUEST, ORDER, CONTRACT, PURCHASE, OR IN ANY MANNER PROCURE SUPPLIES AND SERVICES WHICH ARE NEEDED TO OPERATE ANY FACILITY, DIVISION, AND/OR OFFICE OF THE SCDC.

PURPOSE: To set forth guidelines for the procurement of commodities and services in compliance with the South Carolina Consolidated Procurement Code and other applicable state laws and regulations.

POLICY STATEMENT: To promote efficiency within the South Carolina Department of Corrections (SCDC), the procurement of all commodities and services will be restricted to those essential to the effective management, administration, and operation of the Department in strict compliance with the South Carolina Consolidated Procurement Code and other applicable state laws and regulations. (4-ACRS-7D-25, 4-4038)

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### SPECIFIC PROCEDURES:

#### 1. GENERAL PROVISIONS:

1.1 The Agency Director is responsible for directing the procurements of the SCDC. The Agency Director may delegate to other individuals the authority to act as approving authorities, which allows them to procure commodities and services and/or to sign a contract, agreement, lease, or rental for the purchase of commodities and services. (4-ACRS-7D-25, 4-4038)

1.2 All contracts for supplies, equipment, Information Technology (IT) and services must be forwarded through the Chief, Purchasing Branch, to the Director of the Office of Budget and Resource Management and then to the Office of General Counsel for review prior to submittal to the Agency Director or designee for signature.

1.3 Members of the Director's staff will be responsible for the implementation, operation, and control of the provisions included in these procedures throughout their areas of delegated authority and supervision.

1.4 The SCDC is authorized to purchase requisitioned supplies, equipment, IT and services . (NOTE: Dollar amounts indicate the total potential purchase commitment whether single year or multi-year contracts are used.)

Supplies/Services/Equipment	*1,000,000 Per Purchase Commitment
Information Technology	* 100,000 Per Purchase Commitment (In accordance with approved information technology plans and approval from RIM)
Consultant Services	* 100,000 Per Purchase Commitment
Construction Contract Award	100,000 Per Purchase Commitment
Construction Contract Change Order	100,000 Per Purchase Commitment
Architect/EngineerContract Amendment	50,000
Food Products	*1,500,000
Food Services and Equipment Supplies	* 200,000

\*Total potential purchase commitment whether single year or multi-term contracts are used.

1.5 All contracts entered into by the SCDC will be subject to cancellation at the end of any fiscal year unless otherwise provided for by law.

1.6 Designated Procurement Officers will be required to stay abreast of changes to the South Carolina Consolidated Procurement Code and Budget and Control Board Procurement Regulations. Procurement Officers will be responsible for being knowledgeable of items on state and term contracts and updating these contracts as required. Procurement Officers may utilize the internet for any inquiries related to state contracts.

2. DESIGNATION OF APPROVING AUTHORITIES: The Agency Director has delegated the individuals listed below as approving authorities for the following:

- Emergency Procurement: Director of Budget and Resource Management
- Sole Source Procurement: Director of Budget and Resource Management.
- The Director of the Office of Budget and Resource Management is delegated the authority to manage and maintain activities to include receiving and processing requisitions and taking procurement/purchasing actions to buy/contract for necessary commodities and services within applicable guidelines and regulations.

2.1 Purchases of equipment exceeding \$20,000 or contractual services, excluding other state agencies, exceeding \$50,000, must be approved by the Director.

2.1.1 Requisitions for: purchases of equipment exceeding \$20,000 or contractual services, excluding other state agencies, exceeding \$50,000, must be forwarded to the Director of Budget and Finance, who will identify a potential source of funds. The Director of Budget and Finance will then forward the requisition to

the Director for approval.

2.2 The following divisions have been delegated the authority by use of procurement personnel to function as procurement officers within their respective areas. These individuals will operate in compliance with all departmental procurement policies/procedures and the South Carolina Consolidated Procurement Code and Budget and Control Board Procurement Regulations utilizing the "H" Purchase Order System (H-POS) or Pre-numbered Computerized Purchase Order System (PCPOS). The "H" Purchase Order Number System will be the primary method of procurement for these individuals. Pre-numbered Computerized Purchase Orders will only be issued by the Purchasing Branch when the H-POS is not feasible. Monetary amounts listed below indicate the maximum dollar limitations (including freight) for the following authorized areas: (NOTE: No purchases will be made until funds are available in requisitioner's budget and a purchase order number has been issued. Exceptions to this are the following: Update to Law Libraries, printed forms {ordered by the Commissary Branch from the Prison Industries Print Shop}, medical emergencies and autopsies {including transportation for same, and burials. In these cases, vendor invoices will be submitted for service and approved by appropriate authority before a purchase order will be issued and payment made.

2.2.1 Division of Support Services to include:

Canteen Branch (with the exception of contract and exempt items) \$10,000

2.2.2 Division of Agriculture and Food Service

Food Service Branch (with the exception of contract and exempt items) \$10,000

2.2.3 Office of Budget and Resource Management to include:

Purchasing Branch (with the exception of contract and exempt items)

	Supplies/Services/Equipment	\$ 1,000,000
	Information Technology	100,000
	Consultant Services	100,000
	Construction Contract Award	100,000
	Construction Contract Change	100,000
Order		
	Architect/Engineer Contract	50,000
Amendment		
	Food Products	1,500,000
	Food Services and Equipment	200,000
Supplies		

2.3 Warden's/designee's or Division Director's/designee's approval as identified in Departmental Code Structure are authorized to only requisition supplies and services using SCDC Form 21-20, "Requisition/Record." Canteen Manager/designee will use SCDC Form 20-76, "Canteen Requisition Report," for resale items, and Prison Industries will use SCDC Form 14-44, "P.I. Purchasing Requisition,"

for requisitioning raw materials and goods/services within their areas of management responsibility. Wardens/designees or Division Directors/designees are to be sure that the generic name of the item requested is correct, and it is the name regularly used by the trade or manufacturer, e.g., refrigerator, not Frigidaire. The description should be specific and complete so that the item will be easily identified. Evaluating features will be limited to those pertinent to the operation and the performance desired. Advertising material restricting the specifications to one brand will not be copied verbatim. When listing a brand name and number, the following will be observed:

2.3.1 Include both a description of the item and the manufacturer's brand and number to best assure the purchase of the correct commodity.

2.3.2 List other comparable brands and numbers.

2.3.3 List important dimensions and options, color, etc. Do not give the exact dimensions of a particular brand unless the dimensions are absolutely necessary; instead, give the maximum and minimum dimensions allowed.

### 3. GENERAL PROCUREMENT PROCEDURES:

3.1 Purchases Not in Excess of 2,500, Section 11-35-1550: Procurements not exceeding \$2,500 may be made without securing competitive quotations if the prices are considered to be fair and "reasonable." Such procurements will be distributed equally among qualified suppliers. When practical, a quotation will be solicited by the Procurement Officer from another supplier prior to placing a repeat order with the previous supplier. The administrative costs associated with verifying the reasonableness of the price of purchases "not in excess of" may offset potential savings in detecting instances of overpricing. Therefore, Procurement Officers should verify price when they suspect it may be unreasonable, i.e., based on a comparison of previous price paid, personal knowledge of the item(s) being procured, etc.

3.2 Purchases over \$2,500.00 to 10,000.00: Verbal solicitations of three (3) written quotes from qualified sources of supply. Documentation of the quotes must be attached to the purchase requisition. The award will be made to the lowest responsive and responsible source.

3.3 Purchases over \$10,000 to \$50,000 : The Chief, Purchasing Branch, or designee will solicit written quotes (bids or proposals) from qualified sources of supply. The request for quotation will be advertised at least once in the South Carolina Business Opportunities publication with a bid opening date and time (see also Sections 3.10 and 3.11, below). A copy of the written solicitation and written quotes will be attached to the purchase requisition.

3.4 The award will be made to the lowest responsive and responsible source. There will not be a public bid opening in these cases. Vendors will not have protest rights (see Section 3.13, below) for procurements under \$50,000 pursuant to applicable sections of the S. C. Consolidated Procurement Code.

3.5 Purchases from \$50,000.00 to \$1,500,000.00: All purchases over \$50,000.00 to Agency certification limits (refer to Section 1) must be accomplished by the Chief, Purchasing Branch, or designee in compliance with applicable sections of the South Carolina Consolidated Procurement Code through a competitive sealed bidding process and/or proposals.

3.7 Purchases over \$50,000.00: The awarded vendor must submit in writing to SCDC that their company complies with all requirements of the S.C. Drug-Free Workplace Act.

3.8 Procurements Over Agency Certification Limits: Any purchase over Agency certification limits will be made by the Materials Management Office (MMO) in accordance with the South Carolina Consolidated Procurement Code and S.C. Code Regulations governing "Bidding" and "Proposals." Divisions/branches authorized to purchase will submit a completed state requisition (form MMO-R-005-3/83) to the Purchasing Branch signing as the requestor. Procurement Officers within the Purchasing Branch will sign these forms and distribution will be made as follows: original forwarded to State Procurement (MMO) for processing, copy #2 returned to the requisitioner, and copy #3 retained by the SCDC Purchasing Branch. State purchase orders resulting from these requests will be distributed by the SCDC Purchasing Branch.

3.9 Establishment of Blanket Purchase Agreements: A Blanket Purchase Agreement can exceed the certified dollar limit and will be generated by the Purchasing Branch as needed. It is a simplified method of filling anticipated repetitive needs for small quantities of supplies or services by establishing "charge accounts" with qualified sources of supply. Should a single line item or the sum of a single call for procurement exceed \$2,500.00, competition must be solicited for the total commitment in accordance with the South Carolina Consolidated Procurement Code. (For additional instructions on the implementation of Blanket Purchase Agreements, please refer to pages 26-30, Article 4, State Consolidated Procurement Code Permanent Regulations.)

3.10 Bidders' List: In addition to the Bid Notice advertised in the South Carolina Business Opportunities publication and to prevent excessive administrative costs, a procurement bidders' list will be used in a way which will promote competition commensurate with the dollar value of the purchases to be made as follows:

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Less than \$2,500.00 - No competitive quotes required. Prices must be reasonable.

- \$2,500.00 to \$10,000.00 - Solicit a minimum of three (3) qualified sources, written quotes;
- \$10,001.00 to \$50,000.00 - Written solicitation of quotes, bids, or proposals must be made. The procurement will be advertised by the Purchasing Branch at least once in the S.C. Business Opportunities publication.
- Bids over \$50,000.00 to \$1,500,000 will be prepared by the Purchasing Branch.
- If the minimum number of qualified bidders required under this Regulation cannot be identified, but the bid or proposal has been advertised in the South Carolina Business Opportunities publication, the governmental

body has satisfied the competitive solicitation requirements of the Code. All interested bidders will be furnished a bid upon request from the agency issuing the solicitation. Bidders not responding to three (3) consecutive bid requests from a governmental body may be placed in an inactive status. Bidders may reapply to the respective governmental body for reinstatement to the active bidders' list.

3.11 Special Criteria for the Selection of Bidders and Vendors: The following criteria will be followed in the selection of bidders and vendors:

3.11.1 All eligible and qualified suppliers, including eligible, qualified and Certified Minorities as defined in the South Carolina Consolidated Procurement Code Article 21, "Assistance to Minority Business" who have submitted bidder's application or whom the purchasing activity considers to be capable of filling the requirements of a particular procurement, will be placed on the appropriate vendor's mailing list, which is maintained by commodity classification. (4-4038)

3.11.2 Required Reporting: In accordance with South Carolina Consolidated Procurement Code, the Department will establish and maintain the following information:

- number of minority firms solicited;
- number of minority bids received;
- dollar amount of minority bids awarded; and
- number of minority firms awarded.

3.11.3 Those divisions/branches authorized by use of procurement personnel to function as procurement officers in their respective areas will record and submit to the Chief, Purchasing Branch, the aforementioned information concerning all procurement from minority firms on a quarterly basis within five (5) working days after the end of the quarter.

3.11.4 The lowest responsible bidder submitting a responsive bid will be awarded the contract. If the low bid, for a compelling reason, is not desirable, the requisitioner will prepare a request for an alternate bidder and include rationale for rejection of the bid.

3.12 Multi-Term Contracts, Section 11-35-2030: Any contract entered into by the SCDC will be subject to cancellation at the end of any fiscal year or appropriated year unless otherwise provided for by law. The maximum time for any multi-term contract is five (5) years. Contract terms of up to seven (7) years may be approved by the designated board. Contracts exceeding seven (7) years must be approved by the Board (see Section 11-35-2030 of the South Carolina Consolidated Procurement Code for additional information).

3.13 Protest Procedures Section 11-35-4210:

3.13.1 A prospective bidder, offer, contractor, or subcontractor who is aggrieved in a connection with the solicitation of a contract (over 100,000.00) shall protest to the appropriate chief procurement officer.

3.13.2 The bidder has the right to protest bid awards over \$100,000.00. The bidder must submit his/her protest in writing within then (10) days of the date of award posted in accordance with Section 11-35-4210 of the South Carolina Consolidated Procurement Code. If an actual bidder notifies the Chief procurement officer within ten (10) days of his intent to protest, that bidder will be allowed another five (5) days to present his protest.

3.13.3 Prior to the commencement of an administrative review, the Chief Procurement Officer, the Agency Director, or an authorized designee will have the authority to settle and resolve a protest of the above-mentioned nature. Such authority will be utilized in a manner consistent with state regulations or laws governing the procurement of supplies, services, and construction.

3.13.4 If the protest is not resolved by mutual agreement, the appropriate Chief Procurement Officer will commence his administrative review of a protest within fifteen (15) business days after the end of the protest period.

3.13.5 A copy of the decision will be mailed or otherwise furnished within ten (10) days of posting of the decision in accordance with Section 11-35-4210(5) to the protester and any other intervening party.

3.13.6 The finality of the decision will be conclusive unless fraudulent, or unless any person adversely affected by such decision requests a review, in writing, setting forth the grievance, to the Procurement Review Panel (see S.C. Code Ann. 11-35-4410) within ten (10) days of posting of the decision in accordance with Section 11-35-4210(5). The protestor may also request an interview with the panel.

3.13.7 The request for a review will not stay the contract unless deemed fraudulent.

3.13.8 A protestor, in the event he/she should have been awarded the contract under a solicitation but is not, may apply to the Procurement Review Panel (pursuant to S.C. Code Ann. 11-35-4410) for reimbursement of the actual costs, incurred in connection with the solicitation, including bid preparation.

3.13.9 The Procurement Review Panel, upon receipt of such application, may order the computation of a reasonable reimbursement amount and make such recommendation to the Board as it deems equitable, including reimbursement of bid preparation costs and other relief.

3.14 Vendor Complaints: If a requisitioner is not completely satisfied with the services being rendered or goods received from a selected vendor/supplier, a vendor complaint may be submitted via a memorandum addressed to the Procurement Officer in which the inferior quality must be outlined. From that point, the Procurement Officer will abide by the State Procurement Officer's Procedures Manual, Section XI, "Contract Administration Guidelines Agency and Material Management Office Contracts.

3.15 Vendor Compliments: If a requisitioner is satisfied with the services being rendered or goods received from a selected vendor/supplier, a vendor compliment may be submitted via memorandum addressed to the Procurement Officer stating the facts and circumstances for which the vendor should be complimented.



### 3.16 Special Prohibitions/Rules:

3.16.1 No gifts or special favors from suppliers or contractors will be accepted by any employee of the Purchasing Branch. Samples can be accepted only if they meet this criteria:

- They must be used or consumed on the premises of the S.C. Department of Corrections.
- Only the amount of merchandise needed to determine the feasibility of use can be accepted.
- Any Purchasing Branch employee who has any financial or other interest in a supplier company either directly or indirectly will inform the Director - Office of Budget and Resource Management in writing of this interest. The Director - Office of Budget and and Resource Management will determine whether the interest in question is of sufficient magnitude to warrant disqualification of the employee concerned with any and all transactions that would obligate the SCDC.

### 4. SOLE SOURCE AND EMERGENCY PROCUREMENT:

#### 4.1 Sole Source Section 11-35-1560:

4.1.1 Application: The provisions of this Regulation will apply to all Sole Source Procurement unless emergency conditions exist as defined in Regulation 19-445.2110 of the Budget and Control Board Procurement Regulations.

4.1.2 Exceptions: Sole Source Procurement is not permissible unless a requirement is available from only a single supplier; however, the following are examples of circumstances which could necessitate Sole Source Procurement:

- where the compatibility of equipment, accessories, or replacement parts is the paramount consideration;
- where a sole supplier's items are needed for trial use or testing;
- where a sole supplier's item is to be procured for resale;
- where public utility services are to be procured;
- where the item is one of a kind; and
- where there is a need for printed forms, pamphlets, brochures, exclusive of printing equipment.

4.2 Final decision as to whether a procurement should be processed as a Sole Source Procurement will be made by the Director - Office of Budget and Resource Management. SCDC Form 20-49, "Justification for Sole Source Procurement," will be completed and will be forwarded to the Chief, Purchasing Branch, for review prior to submittal to the Director - Office of Budget and Resource Management for signature. Upon approval by the Director - Office of Budget and Resource Management, SCDC Form 20-49 will be returned to the Purchasing Branch and a purchase order will be issued. A copy of the approved SCDC Form 20-49 will be returned to the requisitioner with a copy of the respective purchase order.

#### 4.3 Emergency Procurement Section 11-35-1570:

4.3.1 Application: The provisions of this Regulation apply to every procurement made under emergency conditions that will not permit other source selection methods to be used.

4.3.2 Limitations: Emergency Procurement will be limited to those supplies, services, or construction items necessary to meet the emergency.

4.3.3 Conditions: Any governmental body may make an Emergency Procurement when an emergency condition arises and the need cannot be met through normal procurement methods, provided that, whenever practical, approval by the Agency Director or appointed designee be obtained prior to the procurement. (The Agency Director has appointed the Director - Office of Budget and Resource Management as designee for emergency procurements.)

4.3.4 Selection of Method of Procurement: The method selected will ensure that the required supplies, services, or construction items are procured in time to meet the emergency. Given this constraint, such competition as is practicable will be obtained.

4.3.5 Written Determination: The Procurement Officer or the Agency official responsible for Emergency Procurement will make a written determination stating the basis for an Emergency Procurement and for the selection of the particular contractor utilizing SCDC Form 20-50, "Justification for Emergency Services Procurement."

4.4 Required Reporting: In compliance with the South Carolina Consolidated Procurement Code, the South Carolina Department of Corrections is required to report quarterly all Emergency and Sole Source Procurement and trade-ins of equipment. This report will contain:

- Purchase Order number and date issued;
- vendor's name;
- listing of the supplies, services, or construction procured;
- commodity code; and
- dollar amount of each procurement.

5. LEASES, LEASE/PURCHASES, INSTALLMENT PURCHASES, AND RENTALS OF PERSONAL PROPERTY S.C. CODE REGS. 19-445.2152: The Agency Director is the only authority approved to make any decision to enter into an agreement rather than to purchase. The Agency Director must justify the decision in writing pursuant to procedures defined by the MMO. Upon written justification by the Agency Director, the following procedures will be followed:

5.1 The State of South Carolina Standard Equipment Agreement (Form 80-SC-EL-1 Revised 07/01/88) will be used in all cases, except in the options to purchase and rentals where rental value of equipment is \$10,000.00, and the rental agreement does not exceed 90 days (consecutive renewals not permitted). The use of the South Carolina Standard Equipment Agreement Form may be waived; however, its use in these cases is encouraged.

5.2 Rentals only of \$10,000.01 or more with no accrual or vested interest must be solicited from at least three (3) qualified sources by the governmental body. The justification, the certification of competition by the Agency Director, and the completed Agreement Forms are to be forwarded to the Materials Management Office for review.

5.3 In leases, Lease/Purchase Agreements of \$10,000.01 or more where the State will accrue any vested interest, solicitations are mandatory from at least three (3) or more qualified sources by the governmental body. The justification, copies of the applicable solicitation, and the completed Agreement Forms are to be forwarded to the Materials Management Office (MMO) for review.

5.4 Installment Purchases: The total purchase of the equipment to be financed must exceed \$24,999.99 to be considered. All requests will require the governmental body to submit the following information to the State Treasurer's Office for approval:

- Certification by the Agency Director or Chief Procurement Officer that funds are not available to purchase the equipment outright;
- A written statement of how the acquisition will benefit the state;
- Certification by the SCDC's assigned budget analyst that the funds for the outright acquisition of the equipment are not available, but sufficient funding is available for the repayment of that portion of the obligation due during the current fiscal year;
- A proposed repayment plan; and
- A properly developed requisition which defines the equipment to be acquired by functional specifications.

5.5 All lease/purchase and installment sales contracts must contain an explicitly stated rate of interest to be incurred by the state under the contract.

5.6 The real property lease procurement exemption is \$25,000. The exemption applies to leases of non-state owned property that commit less than \$25,000 in a single fiscal year.

## 6. SPECIAL INSTRUCTIONS FOR OTHER CONTRACT/PROCUREMENT PROCEDURES:

6.1 Contracts Between State Agencies: All requests must be submitted to the MMO in duplicate on form MMO #136 for approval at least 30 days prior to inception of contract. After MMO's approval, a requisition must be submitted to the SCDC Purchasing Branch for issuance of purchase order.

6.2 Contracting for Professional Services: The South Carolina Department of Corrections may procure professional services which are customarily procured on a fee basis rather than by competitive bidding up to \$25,000.00. There are six (6) categories of nonpermanent employees and temporary employees in manpower services. These are Consultant Services, Employee Services (Special Contract Services), Employment Services (Clerical/Secretarial), Temporary Employees ("Pink Slip"), Legal Services, and Auditing Services.

6.2.1 Consultant Services: When contracting for consultant services, the Department has the right to specify only the results to be accomplished, but not the details and means by which these results are to be accomplished. (In essence, the SCDC is contracting for the job performed rather than the person's hours or

salary.) Any contracted consultant will be paid utilizing the normal purchasing system in accordance with S.C. Code Regs. 19-445.2025.

6.2.2 Employee Services (Special Contract Services): When contracting for employee services, the Department is contracting for the skills, hours, and salary level of the contracted individual. Contracted employees will be paid through the normal supplemental payroll process in accordance with SCDC policies/procedures related to special contract services.

6.2.3 Employment Services (Clerical/Secretarial): When contracting for employment services, the SCDC will pay for such services utilizing the normal purchasing system in accordance with S.C. Code Regs. 19-445.2025.

6.2.4 Temporary Employees ("Pink Slip"): Executive Staff must approve all positions for "pink slip" hiring. Questions regarding the hiring of these employees should be directed to the Division of Human Resources.

6.2.5 Legal Services: Prior to the award of any state contract for the services of attorneys, approval for such services must be obtained by the governmental body from the State Attorney General. Procurement of such services must be made in accordance with the Procurement Code and these Regulations.

6.2.6 Auditing Services: Prior to the award of any state contract for auditing or accounting services, approval for such services must be obtained by the governmental body from the State Auditor. Procurement of such services must be made in accordance with the Procurement Code and these Regulations.

### 6.3 Information Technology (IT) Procurement:

6.3.1 The South Carolina Department of Corrections, whether using state appropriations or other funds in renting, purchasing, or leasing any information technology or software or contracting for consulting or other services in the field of information technology, will comply with the S.C. Consolidated Procurement Code and the Procurement Regulations.

6.3.2 All requests for information technology will be submitted to the Division Director of Resource and Information Management (RIM) or an approved designee for coordination and/or approval prior to any procurement transactions utilizing SCDC Form 13-1, "Information Technology Request Form." (See also SCDC Policy/Procedure ADM-15.03, "Requests for Computer Automation.") (NOTE: Requests for IT equipment for new institutions or programs to be purchased with Capital Improvement Funds must be requested through Capital Improvement lists submitted for bond fund projects and also the Agency IT plan.) All requisitioning will be submitted on SCDC Form 21-20 to the Division of Resource and Information Management for entry and approval to the SCDC automated purchasing system. All items will be shipped to and received by the Division of Resource and Information Management where it can be properly checked and received for inventory management.

6.3.3 The Division Director of RIM will submit all requests that are \$25,000 and over to the S.C. Budget and Control Board Chief Information Office either by the SCDC Fiscal Year "IT" Plan or by a supplemental requesting process.

6.3.4 If the request is to be funded by new appropriated monies and not current budget, the request must first be approved by the Division Director of Budget and Finance.

6.3.5 All requests for repair of personal computers and information technology equipment will be processed through the Division Director of RIM or an approved designee.

6.4 Construction, Architect-Engineer, Construction Management, and Land Survey Services: For definitive instructions concerning construction procurement and for information concerning the definition of terms used throughout this article, see South Carolina Consolidated Procurement Code, Section 11-35-2910 and Sections 11-35-3010 through 11-35-3240, S.C. Code Reg. 19-445.2145, and SCDC Policy/Procedure ADM-13.05, "Capital Improvements."

6.5 Telecommunication Installation & Procurement Services: All requests for telecommunication installation, procurement, and service must be processed through the Division of RIM in compliance with 6.3.2, above.

6.6 Sleeping Area Furnishings: All sleeping area furnishings, mattresses, and pillows requisitioned through the Purchasing Branch will be procured from the Division of Industries. The Division Director of Industries or designee will ensure that all materials included in the manufacturing of furnishings, mattresses, and pillows for use in inmate sleeping areas are fire resistant to the extent possible. Sleeping area furnishings acquired through other than requisitions must indicate the fire safety performance rating if available. Questionable items will be referred to the Safety Program Manager/designee for review in accordance with the Standard Materials Method of Fire Test for Flame Resistant Textiles and Films, NFPA 701, prior to use. (4-ACRS-1C-15, 4-4213)

6.7 Maintenance and Renewal Agreements:

6.7.1 Maintenance agreements and contractual service agreements, e.g., garbage pickup, copiers, etc., are to be determined and requisitioned by the using facility work site (Budget Unit) at least two (2) months prior to the expiration date in order that adequate time can be allowed for renewal of contract. In addition to the type of service desired and the cost thereof, name of item, model number, serial number, purchase date, and location must be included in the requisition. Renewals will be governed by the Consumer Price Index or Producers Price Index. Contract rebids will be done by the Purchasing Branch if within certification limits; otherwise, rebidding will be done by the Materials Management Office.

6.7.2 Only the Agency Director or designee is authorized to sign a contract or an agreement.

6.8 Security Items will be requisitioned utilizing the REQ screen. The Director of Security/designee will be responsible for approving or disapproving all requests. Should the item be approved, a control number will be issued and the Purchasing Branch will act on the approved control number. If the Director of Security/designee disapproves, the control number will be cancelled.

6.9 Office Furnishings/Requests From Prison Industries: Requests for purchases of office furniture or other products manufactured by the Division of Industries which do not exceed \$75.00 and all services will be submitted via a memorandum from the requisitioner to the Division Director of Industries or designee. The memorandum should contain the following information:

- institution and/or office;
- individual to contact;
- full description of work required, including amount of items;
- SCDC Decal Number of each item to be repaired;
- whether or not items will be delivered and/or picked up by office requesting work; and
- reasonable delivery date.

Items to be purchased from Prison Industries over \$75.00 will be procured with a purchase order.

6.10 Equipment Purchases at Auctions Section 11-35-1575: Upon knowledge of an auction or bankruptcy, the SCDC may elect to participate. The SCDC will:

- survey the needed items being offered at auction to ascertain their condition and usefulness;
- determine a fair market value for new like items through informal quotes;
- determine the fair market value from similar like items considering age and useful life; and
- estimate repair cost and delivery cost, if any, of the desired items.

Using this information, SCDC will determine the maximum price that it can pay for each item desired. At the auction, SCDC will not exceed the maximum price that was determined prior to the bidding.

(NOTE: These procedures do not apply to auctions held by the state on Federal or State Surplus Property.)

6.11 Used Equipment:

6.11.1 The purchase of used or reconditioned machines or equipment, including demonstrator models, is not encouraged. However, under some circumstances and unusual conditions, such requests will be considered and the bidding procedure followed whenever feasible. At such times, the requesting department will give a detailed description of the item to be purchased such as name, model and/or serial number, manufacturer's name, year, and whether used, reconditioned, or a demonstrator. The approximate price if purchased new and the price for the requested equipment must be shown plus any guarantees or warranties offered by the vendor.

6.11.2 In addition, a letter will be attached addressed to the requisitioner stating that an agency representative has personally examined the item(s) requested and that the best interest of the state will be

served by the purchase.

6.12 Registration Fees: Registration fees, whether for an individual or a group of people attending the same seminar, will be requisitioned on one (1) request. Only those registration fees which have been paid for by an individual and for which the individual is to be reimbursed will be submitted on a travel voucher. All other registration fees (to be prepaid and/or invoiced) will necessitate a requisition in order to effect payment whether they be with another state agency or an outside vendor. (4-ACRS-7B-19,4-4093, 4-4094)

6.13 Freight Charges: All freight invoices must refer to the original purchase order number. If the purchase order number cannot be identified, the freight invoices cannot be paid.

6.14 Purchase Order Changes: Any purchase order changes made by designated Procurement Officers will be documented on SCDC Form 20-31, "Purchase Order Change Order," and the appropriate copies forwarded to the vendor, the requisitioner, Accounts Payable, and the Purchasing Branch. If the requisitioner wants to change a purchase order after it has been submitted, the requisitioner must fill out SCDC Form 20-31 and submit it to the appropriate Procurement Officer (the individual who signed the purchase order). This form can be obtained from the Commissary Warehouse. If there is a quantity change or price increase to the purchase order, the Procurement Officer should ensure that adequate funds are in his/her budget. After receipt of this form, purchasing will enter the changes and forward the change order to the vendor, the requisitioner, Accounts Payable, and the Purchasing Branch. (NOTE: Accounts Payable does not have to complete SCDC Form 20-31, when paying a lesser price.)

6.15 Printing Services done outside SCDC's Print Shop capabilities must comply with the S.C. Government Printing Services Manual, Revised January 1, 1998, located in the Purchasing Branch.

6.16 Trade-in of Personal Property: When original purchase price of the property exceeds \$5,000, permission must be granted by the Materials Management Office upon submittal of form MMO-137. (See S.C. Code Reg. 19-445.2150 and Section 11-35-3830 of the South Carolina Consolidated Procurement Code.)

6.17 Fuel Oil: Gasoline, fuel oil, diesel fuel, and propane purchase order numbers will be assigned by the Chief, Purchasing Branch, or designee. Changes and updates to state contracts will be disseminated by the Chief, Purchasing Branch, or designee.

6.18 Off-Road Equipment: All requests for off-the-road equipment (tractors, backhoes, lawnmowers, etc.) will be processed through the Purchasing Branch.

6.19 Commissary Items: To procure any items stocked in the Commissary or Food Service Warehouse, one must utilize the special requisitioning screen. Purchase orders will be issued to procure any items from General Services or Surplus Properties Warehouses.

6.20 Equipment Repairs: All requests concerning equipment repairs, parts, and supplies for over-the-road vehicles and communication equipment must be authorized by the Division Director of Transportation or designee.

## 7. DISPOSITION OF SURPLUS EQUIPMENT AND SUPPLIES:

7.1 Surplus equipment and supplies will be offered through competitive sealed bids or public auction. It is recognized, however, that some types and classes of items can be sold or disposed of more readily and advantageously by other means, including barter. In such cases, and also where the nature of the supply or unusual circumstances call for its sale to be restricted or controlled, the Materials Management Office or designee may employ such other means, including but not limited to, appraisal, provided that the Procurement Officer makes a written determination that such procedure is advantageous to the state. Only cashier's checks, United States currency, or personal checks will be accepted for sales of surplus property. (See SCDC Policy/Procedure ADM-16.10, "Surplus Property Disposal" for additional information.)

7.2 Obsolete supplies, equipment, and scrap material will also be disposed of in the above manner.

7.3 All sales of SCDC surplus supplies will be processed through the Division of Support Services.

7.4 The sale of all state-owned surplus equipment and supplies not in actual public use will be conducted by the Division of General Services Surplus Property Section at such places and in such manner most advantageous to the state. All agencies must identify surplus items, declare them as such, and report them to the Materials Management Office within 90 days from the date they become surplus.

8. RECYCLED PRODUCTS, REUSABLE PRODUCTS, AND PRODUCTS DESIGNED TO BE RECYCLED: SCDC Purchasing agents will, within procurement regulations, purchase products and materials with recycled content as set forth in The South Carolina Solid Waste Policy and Management Act of 1991.

8.1 Recycled paper of the appropriate grade (e.g., xerographic grade for xerographic equipment) will be purchased and used in all currently owned/leased copiers, printers, and any offset equipment that will accept it. The purchasing agent will purchase/lease only copiers, printers, and offset equipment capable of utilizing recycled paper of the appropriate grade (e.g., xerographic grade for xerographic equipment).

8.2 No colored paper will be purchased by the SCDC purchasing agents unless the pertinent functional area manager can demonstrate to the appropriate member of the Director's staff that white paper would not achieve a necessary performance standard.

8.3 SCDC and all persons contracting with the Department will procure used oil materials and products where practicable.

8.4 SCDC and all persons contracting with the Department will procure recycled lead-acid batteries where applicable.



8.5 SCDC and all persons contracting with the Department will procure compost materials and products where practicable.

8.6 The SCDC will (1) obtain retreading services for used tires and (2) purchase retread tires. Tire users are required to order retread tires in lieu of a new tire whenever a retread is available in the size, load range, and tread designation desired. New tires may be purchased only for use on the front axle of passenger buses and vans, and the front axle of trucks, for safety vehicles, for vehicles used by the Division of Agriculture and Food Service to pull trailers, and for engineer equipment requiring new tires.

8.7 When recycled products are used, reasonable efforts will be undertaken to label the products to indicate that they contain recycled materials. All SCDC functional areas will use stationery and envelopes that include post consumer recycled content and will indicate on the paper and envelopes that they contain recycled material. Other recycled products used by the SCDC will also indicate that they contain recycled material to the extent practicable.

9. UNAUTHORIZED PROCUREMENTS: The ratification of an act obligating the State/SCDC in a contract or procurement action by any person without the requisite authority (purchase order number) to do so by an appointment or delegation under the S.C. Procurement Code rests with the Division of General Services. It is prohibited for a Procurement Officer to ratify such acts. (See Section 19-445.2015, S.C. Procurement Code.)

9.1 Ratification by a Governmental Body (SCDC): The Division of General Services delegates authority to ratify such acts to the head of the governmental body (Agency Director) responsible for the person committing the act when the value of the contract/procurement is within the certification limits designated for that governmental body.

9.2 Ratification actions above Agency certification are delegated to the Materials Management Office.

9.3 Corrective Action and Liability: The supervisor of the person who has committed an unauthorized procurement will prepare a written determination as to:

- The facts and circumstances surrounding the act;
- What corrective action is being taken to prevent recurrence;
- Action taken against the individual committing the act; and
- Documentation that the price paid is fair and reasonable. If the price paid is unreasonable, the individual may be held pecuniary liable for the difference.

9.4 Ratification letters within Agency certification will be addressed through the Chief, Purchasing Branch through the Director - Office of Budget and Resource Management to the Agency Director. Ratification letters submitted to the Materials Management Office will be reviewed by the Chief, Purchasing Branch.

10. PROCUREMENT REFERENCES:

10.1 Procurement Preference for S.C. Vendors and Products, Section 11-35-1524.

10.2 Recycled Products Preference, S. C. Solid Waste Policy and Management Act of 1991.

10.3 SCDC will buy products produced by Prison Industries.

10.4 ADM-12.02, "Procurement of State Surplus Property."

10.5 ADM-15.11, "Petty Cash Funds" (for procurements made with petty cash).

## 11. DEFINITIONS:

Architect-Engineer and Land Surveying Services refers to those professional services associated with the practice of architecture, professional engineering, land surveying, landscape architecture, and interior design pertaining to construction, as defined by state laws, as well as incidental services that members of those professions and those in their employ may logically or justifiably perform, to include studies, investigations, surveys, evaluations, consultations, planning, programming, conceptual designs, plans and specifications, cost estimates, inspections, shop drawings, reviews, sample recommendations, preparation of operating and maintenance manuals, and other related services.

Construction refers to the process of building, altering, repairing (major), remodeling, improving, or demolishing any public structure or building or other public improvements of any kind to any real public property. It does not include the routine operation, repair, or maintenance of existing structures, buildings, or real property.

Construction Services or Construction Management Services refers to those professional services associated with a system in which the using agency directly contracts with a professional construction manager to provide management activities required to plan, schedule, coordinate, and manage the design and construction of a state project in a manner that contributes to the control of time, cost, and quality of construction as specified in the construction management contract.

Consultant Services refers to an individual, partnership, corporation, or other legally established organization performing unique or special consulting service for, or providing special consulting advice to, the SCDC.

Emergency Procurement refers to a situation which creates a threat to public health, welfare, or safety such as may arise by reason of floods, epidemics, riots, equipment failures, fire loss, or other such reason as may be declared by the Agency Director or an approved designee. The existence of such a condition must create a serious and immediate need for supplies, services, or construction that cannot be met through normal procurement methods. The lack of such services, supplies, or construction could seriously threaten:

- the functioning of state government;
- the preservation or protection of property; and
- the health or safety of any person.

Employment Services refers to an individual performing services directly for the SCDC whose services are obtained through a private employment agency. Generally, these services are of a secretarial/clerical nature and are for a short duration. The employer-employee relationship exists between the SCDC and the private employment agency in all such situations. (4-4060)

Employee Services (Special Contract Services) refers to an individual performing services directly for the SCDC over whom the SCDC has the right of control not only as to the result to be accomplished by the work, but as to the details and means by which that work is to be accomplished. Such employees perform unique or special skills not normally found in the Agency work force and for whom the SCDC specified the location of work, general hours of work, methods to be used, and period of time to be employed. (4-4060)

Information Technology refers to data processing (the automated collection, storage, manipulation, and retrieval of data to include central processing units for micro, mini, and mainframe computers; related equipment such as terminals, document scanners, word processors, keyboards, intelligent copiers, modems, off-line memory storage, and printing systems; data transmission equipment; and related software); telecommunications (voice, data message (facsimile systems), and video transmissions to include the transmission and switching facilities of public telecommunications systems as well as operating and network software); office system technology (office equipment to include typewriters, calculators, duplicating and photocopy machines, dictating equipment, paper forms and records, microfilm/microfiche equipment, and printing equipment/services); and services (the provision of any consultant assistance for any aspect of information technology, systems, and networks).

Procurement refers to the "purchase" of supplies and services by the Agency.

Sole Source refers to those instances in which only one supplier exists that can fulfill a request for a needed commodity or service.

Temporary Employee (Pink Slip) refers to those employees of the SCDC who are in positions that have been approved by the Executive Staff for a period of no more than 12 months. These employees perform the normal range of skills and duties found in the Agency's work force; however, they perform work that is of an emergency, special, or seasonal nature. These employees are paid through the normal supplemental payroll process. (4-4060)

Term Contract refers to a contract established by the chief procurement officer for a specific product or service for a specified time and for which it is mandatory that all governmental bodies procure their requirements for the goods and services during its term. If a governmental body is offered goods and services at a price that is at least ten percent less than the term contract price for the same goods or services, it may purchase from the vendor offering the lower price after first offering the vendor holding the term contract the option to meet the lower price. If the vendor holding the term contract meets the lower price,

then the governmental body must purchase from the contract vendor. A term contract may be a multi-term contract as provided in Section 11-35-2030 of the S.C. Consolidated Procurement Code.

SIGNATURE ON FILE

—

s/Jon E. Ozmint, Director

ORIGINAL SIGNED COPY MAINTAINED IN THE DIVISION OF POLICY DEVELOPMENT.